
Public Private Partnership Contract Governance Training Course: Risk, Rebalancing, Exit

4 – 15 October 2027
New York





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Programme Summary

Public private partnership contract governance, known as PPP contract governance, is the subject of this two-week training course for senior public officials, sponsors and contract leaders at advanced level, ending in a governance plan for one live or planned partnership contract. Long-term contracts fail when oversight is thin and terms are reopened without discipline. The approach moves from risk allocation and payment rules, through negotiation, change and renegotiation, to disputes and exit. Mars Training Centre UK delivers this programme in public private partnership contract governance.

The Business Case

A partnership contract can bind an authority for twenty years or more, yet many authorities staff it as a project that ends at signature. Weak monitoring lets service decline unnoticed, and unmanaged change shifts cost back to the public purse. Authorities that govern the contract as a living instrument protect value for money and keep the partner accountable.

- Service Performance Against Output Specification: Improves as monitoring data drives deductions and corrective action.
- Unplanned Contract Cost Variation: Falls as change and rebalancing follow a priced approval route.
- Dispute Duration and Escalation: Shortens as clear ladders settle disagreements early.

Principles and Evidence Base

- World Bank Public-Private Partnerships Reference Guide: Its treatment of risk allocation and contract management frames Sessions 1 and 2.
- World Bank Guidance on Monitoring and Managing PPP Delivery and Risk: Its monitoring practices shape the operating phase in Sessions 3 and 5.
- CAF Guidance on PPP Contract Modification, Renegotiation and Rebalancing: Its rebalancing logic structures the change and renegotiation work in Sessions 6 and 7.

Intended Participants

- Leaders accountable for the performance of a long-term partnership contract.
- Officials who negotiate terms or amendments on behalf of an authority.
- Heads of contract management units who supervise monitoring and payment.
- Sponsor representatives who manage the relationship with the public authority.
- Advisers who review variations, claims and dispute positions.

The programme serves transport, health, energy and water authorities, finance ministries, sponsors and advisory firms.



Learning Outcomes

1. Participants will be able to evaluate a risk allocation and identify residual exposure for the authority.
2. Participants will be able to construct a monitoring and payment adjustment routine from output specifications.
3. Participants will be able to prioritise negotiation positions and trades for a long-term contract.
4. Participants will be able to diagnose when a variation or claim disturbs the economic balance.
5. Participants will be able to justify a renegotiation or refinancing position to an oversight body.
6. Participants will be able to design dispute, step-in and exit procedures that protect continuity of service.

Programme Structure

Day 1: Foundations of PPP Contract Governance

What does the authority control after signature, and what has it handed to the private partner?

- Contract Life Cycle Map From Award to Handback
- Roles of Authority, Special Purpose Company and Lenders
- Governance Structure and Decision Rights
- World Bank Contract Management Principles
- Case Review of Governance Failures

Day 2: Reading the Risk Allocation

Which risks sit with which party, and where is the allocation weak?

- Risk Matrix and Allocation Principles
- Construction, Demand and Availability Risk
- Force Majeure and Relief Event Clauses
- Change in Law Provisions
- Residual Risk Register for the Authority

Day 3: Payment Mechanisms and Performance Regimes

How does the contract link payment to delivery?

- Unitary Charge and Availability Payment Structure
- Output Specifications and Key Performance Indicators
- Deduction and Penalty Point Systems
- Monitoring Data and Audit Rights
- Independent Certifier and Technical Adviser Roles



Day 4: Negotiation Strategy for Contract Terms

How are terms negotiated when both sides depend on each other for decades?

- Negotiation Position Mapping and Interests Analysis
- Bargaining Power Over a Long-Term Relationship
- Preparing the Authority Mandate and Red Lines
- Concession of Terms and Package Trades
- Negotiation Simulation With a Sponsor Team

Day 5: Operating Phase Management

How is the partner's delivery monitored month by month?

- Contract Management Team Structure and Skills
- Reporting Cycle and Performance Dashboards
- Handling Defects, Lifecycle Maintenance and Handback Standards
- Stakeholder Interface Management
- Operating Phase Audit Plan

Day 6: Change, Variation and Rebalancing

How does the authority price a change without upsetting the economic balance?

- Variation Procedure and Valuation Methods
- Financial Model Updates After Change
- Principles of Economic Rebalancing
- Compensation Events and Extension of Term
- Approval Gates for Material Changes

Day 7: Renegotiation and Refinancing

When is renegotiation justified, and how are the gains shared?

- Triggers for Contract Renegotiation
- Unsolicited Proposals and Pressure for Reopening
- Refinancing Gain Share Mechanism
- Lender Consent and Direct Agreements
- Renegotiation Protocol and Record Keeping

Day 8: Disputes, Step-In and Termination

How are disagreements settled before they threaten service?



- Dispute Escalation Ladder and Expert Determination
- Arbitration Clauses and Enforcement Considerations
- Step-In Rights and Lender Remedy Periods
- Termination Events and Compensation Formulae
- Early Warning Indicators of Partner Distress

Day 9: Exit, Handback and Renewal

What must be true when the contract ends or is extended?

- Handback Conditions and Residual Life Tests
- Asset Condition Surveys and Retention Funds
- Transfer of Staff, Data and Licences
- Renewal, Extension or Re-Tender Options
- Lessons Register for the Next Partnership

Day 10: Applying the Governance Plan to a Contract

Is the governance plan ready for the accounting authority?

- Applying Session 2 Risk Matrix to the Chosen Contract
- Testing Session 3 Payment Rules on Sample Performance Data
- Applying Session 6 Change Controls to a Live Variation
- Rehearsing Session 8 Dispute Escalation Steps
- Completing the PPP Contract Governance Plan

Methodology

The programme is built around case analysis and negotiation simulation. Participants work with anonymised contract extracts, sample performance reports and a simplified financial model, then defend their positions before a simulated oversight panel. Examples come from transport, health and utilities contracts.

- Suggested activity: Marking up a risk allocation clause set to expose gaps.
- Suggested activity: Pricing a variation and testing its effect on the economic balance.
- Suggested activity: Negotiating a renegotiation protocol with a role-played sponsor team.

Capstone Output

Each participant completes a public private partnership contract governance plan for one live or planned contract. It holds a risk register, a monitoring and payment routine, a change and rebalancing procedure, a renegotiation protocol and dispute and exit steps. It is used to brief the accounting authority and to set up the contract management team.



Frequently Asked Questions

Is public private partnership contract governance training suitable for officials without legal training?

Yes. It is set at advanced level for leaders and managers of partnership contracts, and assumes experience of contracts or projects rather than legal qualifications.

Which sources does the public private partnership contract governance programme rest on?

It rests on World Bank guidance on contract management and risk, and on CAF guidance on modification, renegotiation and rebalancing of partnership contracts.

How is the public private partnership contract governance plan used at work?

It serves as the working basis for monitoring, change control and dispute handling, and is presented to the accounting authority before the contract management team adopts it.

How does public private partnership contract governance differ from project finance for partnerships?

Governance concerns running, changing and ending a signed contract, while project finance concerns structuring debt and bankability before financial close.